

January 15, 2008

The Honorable Harry Reid Majority Leader U.S. Senate Washington, DC 20510 The Honorable Mitch McConnell Republican Leader U.S. Senate Washington, DC 20510

Dear Senators Reid and McConnell:

With the unemployment rate at a 16-year high, consumer spending on the decline, and a surge of benefit claims overwhelming social service agencies across the country, the need for an immediate economic recovery package becomes more urgent each day.

We appreciate your commitment to crafting this legislation in a bipartisan manner. Yet it is clear to us that just as the recession has disproportionately affected certain industries, so too have certain states felt this downturn more acutely than others. In Ohio, this is evidenced by above-average unemployment and home foreclosure rates, swelling jobless rolls, increased reliance on the food stamp program, and a number of other economic indicators. Unfortunately, these problems are not limited to our state.

As the economic recovery proposal is developed, we urge that it be targeted to states disproportionately suffering from the economic downturn. Factors like unemployment and foreclosure rates should be given great weight as stimulus funding is determined. The effects of the economic crisis have been uneven across the country. To be effective, our nation's economic stimulus strategy should reflect this reality.

Transportation funds, for example, are distributed without regard to economic distress. As a result, states with the highest unemployment rates might receive only half the share of states with the lowest unemployment. If the stimulus is intended to create jobs, it is necessary that unemployment rates higher than the national average are given appropriate consideration when distributing funds.

With the budget shortfalls experienced by many states across the United States, many essential services and programs handled at the state level are being cut. Declining tax revenues are adversely affecting the state's ability to provide necessary medical coverage to children, the poor, and the elderly, and it is crucial that the Federal Medical Assistance Percentage also be targeted to the states with the greatest need. By factoring in home foreclosure and unemployment rates above the national average, we can ensure that states that need federal assistance the most receive it.

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The challenges confronting the 111th Congress and the American people are daunting, but by making the right investments now we can overcome the economic challenges facing our nation.

Sincerely,

Sherrod Brown

U.S. Senator

George 🛈. Voinovich

U.S. Senator